

Message Text

UNCLASSIFIED

PAGE 01 CARACA 12976 022333Z

73

ACTION ARA-10

INFO OCT-01 ISO-00 EB-07 COME-00 TRSE-00 L-03 H-02 OPIC-06

CIAE-00 INR-07 NSAE-00 PRS-01 SS-15 NSC-05 /057 W

----- 068869

R 022114Z NOV 76

FM AMEMBASSY CARACAS

TO SECSTATE WASHDC 5472

UNCLAS CARACAS 12976

E.O. 11652: N/A

TAGS: EIND EINV VE

SUBJECT: OWENS-ILLINOIS NATIONALIZATION-STATEMENT BY
GOV NEGOTIATOR

REF.: CARACAS 12482

1. ROBERTO SALAS CAPRILES, PRESIDENT OF THE VENEZUELAN GLASS INDUSTRY COUNCIL AND CHIEF NEGOTIATOR FOR THE GOV WITH REGARD TO THE NATIONALIZATION OF OWENS-ILLINOIS, TOLD THE ECONOMY COMMITTEE OF THE CHAMBER OF DEPUTIES OCTOBER 28 THAT OWENS-ILLINOIS IS CONTINUING TO OPERATE NORMALLY. SALAS CONFIRMED THAT OWENS-ILLINOIS' PRODUCTION HAD NOT DROPPED FOLLOWING THE GOV'S DECISION TO NATIONALIZE

THE COMPANY AND THAT OWENS-ILLINOIS' OUTPUT OF GLASS CONTAINERS HAD INCREASED. THE COMMITTEE HEARD TESTIMONY FROM SALAS AND TWO OTHER INDUSTRIALISTS CONCERNING THE REPORTED GLASS SHORTAGE (REFTEL).

2. REFERRING TO THE GOV'S NEGOTIATIONS WITH OWENS-ILLINOIS, SALAS STATED THAT THE TWO SIDES WERE STILL FAR APART ON A PRICE FOR OWENS-ILLINOIS' SHARES, BUT THAT CONTACTS WERE CONTINUING. CONCERNING FUTURE TECHNOLOGY TRANSFER, SALAS SAID THAT "THE IDEAL WOULD BE TO CONTINUE WITH TECHNICAL ASSISTANCE FROM OWENS-ILLINOIS, BUT UNDER CONDITIONS FAVORABLE TO THE NATIONAL INTEREST." RESPONDING TO A QUESTION FROM THE COMMITTEE, SALAS DENIED THAT OWENS-ILLINOIS WAS PRESSURING THE GOV. "IF THEY PRESSURE US, WE SHALL LOOK TO OTHER SOURCES FOR TECHNOLOGY," HE ADDED.

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 CARACA 12976 022333Z

3. CARLOS VOGELER RINCONES, PRESIDENT OF THE VENEZUELAN GLASS CHAMBER, INDICATED THAT THE INDUSTRY CURRENTLY HAS A MANUFACTURING CAPACITY OF 380,000 TONS PER YEAR, OF WHICH BETWEEN 220,000 AND 230,000 TONS ARE OF BOTTLES AND JARS. AS THE DEMAND FOR GLASS CONTAINERS IS APPROXIMATELY 260,000 TONS PER YEAR, THERE IS A DEFICIT OF 30,000 TO 40,000 TONS. THIS VOGELER TERMED A "TRADITIONAL DEFICIT" DUE TO THE NEED TO IMPORT CERTAIN TYPES OF BOTTLES, SUCH AS CATSUP BOTTLES. HE ESTIMATED THAT OWENS-ILLINOIS PRODUCES 70 PERCENT OF VENEZUELA'S GLASS CONTAINERS. SALAS ADDED THAT THE SITUATION WITH REGARD TO GLASS PRODUCTION IS "CRITICAL, BUT NOT DRAMATIC." OF MORE CONCERN, SALAS SAID, IS THE RAPID GROWTH IN DEMAND.

VAKY

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: INDUSTRY, NATIONALIZATION, GLASS, CONTAINERS
Control Number: n/a
Copy: SINGLE
Draft Date: 02 NOV 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976CARACA12976
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760409-0139
From: CARACAS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19761191/aaaadazc.tel
Line Count: 74
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION ARA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 76 CARACAS 12482
Review Action: RELEASED, APPROVED
Review Authority: oatisao
Review Comment: n/a
Review Content Flags:
Review Date: 21 JUL 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <21 JUL 2004 by schwenja>; APPROVED <16 AUG 2004 by oatisao>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: OWENS-ILLINOIS NATIONALIZATION-STATEMENT BY GOV NEGOTIATOR
TAGS: EIND, EINV, VE, US, OWENS ILLINOIS, (SALAS CAPRILES, ROBERTO), (VOGELER RINCONES, CARLOS)
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006